



# **Kentucky Employees' Health Plan**

## **How the CDHP Works**

# What You Will Learn

- CDHPs versus PPOs
- The basics of how CDHPs work
- How the employer-funded Health Reimbursement Account (HRA) helps lower your deductible
- How an employee-funded Flexible Spending Account (FSA) works with the HRA
- Where to get medical and pharmacy information

# CDHPs Versus PPOs

## True cost of health insurance:

Out-of-Paycheck + Out-of-Pocket = Your Total Healthcare Cost

Monthly Premiums

Co-pays, co-insurance,  
deductibles

# CDHPs Versus PPOs

CDHP	PPO
<input type="checkbox"/> Full cost of medical service or prescription until deductible met, then <b>co-insurance</b>	<input type="checkbox"/> <b>Co-pays</b> – every visit all year
<input type="checkbox"/> Annual deductible applies to <b>both medical and prescription drug benefits</b>	<input type="checkbox"/> Annual deductible <b>excludes prescription drug co-pays</b>
<input type="checkbox"/> Includes <b>employer-funded HRA</b>	<input type="checkbox"/> No additional employer funds
<input type="checkbox"/> <b>Lower monthly</b> premium	<input type="checkbox"/> <b>Higher monthly</b> premium

Both types of plans provide good healthcare coverage,  
but they work differently.

# CDHPs

- With CDHPs members:
  - Become **active consumers** versus passive patients
  - Gain **more control** of healthcare costs



# CDHP – How It Works

The CDHP has two key components: an **integrated deductible** and **coinsurance**

- **Integrated deductible** – Your health plan and pharmacy benefits share the same deductible so your prescription costs help you meet the deductible and out-of-pocket maximum faster

# CDHP – How It Works

- **Integrated deductible** (continued)
  - Depending on where you are in the plan year, you'll have different scenarios when you fill prescriptions or go to the doctor
  - Early in the plan year, when you haven't met the deductible yet, you'll pay the entire amount when you get medical care or pick up a prescription
  - Give your HumanaAccess Visa Debit Card to your healthcare provider or pharmacist, and if you have enough money in your account to cover the service or prescription, the amount will be paid from your HRA and applied to your deductible

# CDHP – How It Works

- **Integrated deductible** (continued)
  - If you're getting close to meeting your deductible, you could have medical and pharmacy charges that come in at the same time and cause you to pay more out-of-pocket than your annual deductible amount; however if that happens, Humana will immediately reimburse any amount you've paid over the deductible
  - If you've met your deductible, you will only owe your co-insurance amount



## CDHP – How It Works

- **Co-insurance** – After you reach your annual deductible, the plan pays a percentage of your costs for both medical services and prescription drugs
  - LivingWell CDHP – 85% plan/15% member (in-network providers)
  - Standard CDHP – 70% plan/30% member (in-network providers)

## CDHP – How It Works

- **Out-of-Pocket Maximum** – The yearly “cap” on your covered services from in-network providers
  - Medical and pharmacy costs that apply to your integrated deductible count toward the maximum also
  - Once you meet your out-of-pocket maximum, the plan pays 100%

# KEHP 2014 Benefits Grid – Key Focal Points

Plan Options	LivingWell CDHP		LivingWell PPO		Standard PPO		Standard CDHP	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Health Reimbursement Account (HRA)	Single \$500; Family \$1,000		Not Applicable		Not Applicable		Single \$250; Family \$500	
Annual Deductible	Single \$1,250 Family \$2,500	Single \$2,500 Family \$5,000	Single \$500 Family \$1,000	Single \$1,000 Family \$2,000	Single \$750 Family \$1,500	Single \$1,500 Family \$3,000	Single \$1,750 Family \$3,500	Single \$3,000 Family \$6,000
	Applies to both medical & prescription drug benefits		Excludes prescription drug co-pays		Excludes prescription drug co-pays		Applies to both medical & prescription drug benefits	
Annual Out-of-Pocket Maximum	Single \$2,500 Family \$5,000	Single \$5,000 Family \$10,000	Single \$2,500 Family \$5,000	Single \$5,000 Family \$10,000	Single \$3,500 Family \$7,000	Single \$7,000 Family \$10,000	Single \$3,500 Family \$7,000	Single \$7,000 Family \$10,000
Deductibles & Out-of-Pocket Maximums for In-Network and Out-of-Network providers accumulate separately and do not cross apply.								
Co-Insurance	Plan: 85% Member: 15%	Plan: 60% Member: 40%	Plan: 80% Member: 20%	Plan: 60% Member: 40%	Plan: 70% Member: 30%	Plan: 50% Member: 50%	Plan: 70% Member: 30%	Plan: 50% Member: 50%
Doctor's Office Visits	Deductible then 15%	Deductible then 40%	Co-Pay: \$25 PCP; \$45 Specialist	Deductible then 40%	Deductible then 30%	Deductible then 50%	Deductible then 30%	Deductible then 50%

Prescription Drugs	Administered by Express Scripts							
<b>30-Day Supply</b>								
Tier 1 - Generic	Deductible then 15%	Deductible then 40%	\$10	Not Applicable	30%	Not Applicable	Deductible then 30%	Deductible then 50%
Tier 2 - Formulary			\$35*		Min \$10–Max \$25			
Tier 3 - Non-Formulary			\$55*		Min \$20–Max \$50 Min \$60–Max \$100			
<b>90-Day Supply</b> (Retail or Mail Order)								
Tier 1 - Generic	Deductible then 15%	Not Applicable	\$20	Not Applicable	30%	Not Applicable	Deductible then 30%	Not Applicable
Tier 2 - Formulary			\$70		Min \$20–Max \$50			
Tier 3 - Non-Formulary			\$110		Min \$40–Max \$100 Min \$120–Max \$200			

These are some of the key components of how each plan works.  
The red circles indicate unique areas of the CDHP options.

# CDHP – How It Works

## Example:

		<b>LivingWell CDHP – Single Coverage Level</b>	
		<b>HRA: \$500</b>	
		In-Network	
Out-of-Pocket Costs	}	<b>Annual Deductible</b>	Single \$1,250
		<b>Annual OOP Max</b>	Single \$2,500
		<b>Co-Insurance</b>	85%/15%
		<b>Pharmacy</b>	Tier 1 – Ded/15% Tier 2 – Ded/15% Tier 3 – Ded/15%
Out-of-Paycheck Costs	}	<b>Non-Tobacco User Premium</b> Monthly: \$47.98 Annual: \$575.76	

## CDHP – How It Works

You get sick and go to the doctor – here's what happens when you haven't yet met your deductible:

LivingWell CDHP	Total Charge	Your Cost
Office Visit	\$100	\$100 (Ded/15%)
Drug	\$50	\$50 (Ded/15%)

# CDHP – How It Works

You get sick and go to the doctor – here's what you pay

LivingWell CDHP	Total Charge	Your Cost
Office Visit	\$100	\$100 (Ded/15%)
Drug	\$50	\$50 (Ded/15%)



Use your HRA  
Visa Card



\$500 HRA

Office Visit Cost:      - \$100      **\$0**

Drug Cost:              - \$50      **\$0**

**\$0**

# CDHP – How It Works

Impact on your deductible and out-of-pocket maximum

## LivingWell CDHP



**\$0** (\$150 from HRA)



\$1,250	<b>Deductible</b>
- \$150	Office Visit & Drug Costs
<b>\$1,100</b>	<b>Balance</b>

\$2,500	<b>OOP Max</b>
- \$150	Office Visit & Drug Costs
<b>\$2,350</b>	<b>Balance</b>

# CDHP – How FSAs and HRAs Work Together

Some people elected a healthcare FSA to use with the CDHP HRA

	Healthcare FSA (Employee Funds)	CDHP (Embedded) HRAs (Employer Funds)
Maximum Annual Contribution Amount	\$2,500	<b>LivingWell</b> - \$500 Single; \$1,000 Family <b>Standard</b> - \$250 Single; \$500 Family
Do Funds Roll Over?	Yes - starting in 2014 a maximum of \$500 can roll over to the next plan year	Yes – if you elect a CDHP in the next plan year
Description	You set aside pre-tax funds to reimburse yourself for qualified medical, dental and vision expenses.	Your employer sets aside funds that you use to pay for qualified medical, dental and vision expenses.

## Notes:

- Funds for both FSA and HRA on one HumanaAccess card
- Your FSA funds are automatically used before HRA funds
- Funds used for dental and vision expenses, or expenses that are not related to medical and pharmacy claims, will not reduce your deductible



# Online Tools: MyHumana.com

Visit the Humana site to look at your deductible, check your HRA/FSA balances, and access your HumanaVitality Health Assessment.

The screenshot shows the MyHumana.com website. At the top, the MyHumana logo is on the left, and 'Member Support' is on the right. Below the logo are three navigation links: 'Coverage, Claims & Spending >', 'Get Healthy >', and 'Earn Vitality Points >'. A 'Welcome, Matthew' message is displayed, followed by a 'Get healthy and earn rewards' section with a link to 'Take the HumanaVitality Health Assessment'. There are icons for email and a calendar, and links for 'Account & Settings' and 'Sign out'. An 'Alerts (1)' section contains a message 'Take the Health Assessment and start earning!' with a 'Get started' link. Below this, a red circle highlights the 'Coverage & claims' button and the 'Humana Vitality' logo. At the bottom, there is a video player showing a person named Steve with a Vitality Age of 28, and a 'Complete your Health Assessment' button.

MyHumana. Member Support

Coverage, Claims & Spending > Get Healthy > Earn Vitality Points >

Welcome, Matthew

Get healthy and earn rewards  
Take the HumanaVitality Health Assessment

Account & Settings  
Sign out

Alerts (1): Take the Health Assessment and start earning!  
Get started

Coverage & claims Humana Vitality

MEET STEVE  
28

Living healthy has its rewards

You've already taken the first step by starting your Health Assessment. Finish it today and out your Vitality Age™, which tells you if your body is living younger or older than your actual age. Then we'll help you set goals and recommend activities that can lead to both a healthier lifestyle and great rewards like gift cards, movie tickets, fitness gear, and more!

→ Complete your Health Assessment

View on YouTube

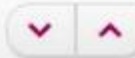
# Online Tools: MyHumana.com

Also visit the Humana site to use the MyChoice Tools<sup>SM</sup> to compare physicians, hospitals, and outpatient facilities.

- On the MyHumana website, scroll to the bottom and select “Cost Comparison Tool”

Need information about your healthcare spending to complete your taxes? Find all the details on MyHumana.

[See claim details](#)



## Spending accounts

[Dependent Care FSA](#)

**Commonwealth of Kentucky**

Current balance: \$0.00

[Health Care FSA](#)

**Commonwealth of Kentucky**



Macy's Personal Shopping  
Experience Contest

## Plan Tools

→ [Find a Provider](#)

→ [Cost Comparison Tool](#)

# Online Tools: MyHumana.com

## Humana's MyChoice Tools<sup>SM</sup>

### Your all-in-one place to compare network providers

These easy-to-use tools show estimated costs and other useful information to help you make healthcare decisions with confidence. But keep in mind it's smart to rely on several sources of information – so be sure to talk with your current healthcare providers too.

To get started, choose a "Compare" tool.



#### [Compare Doctors](#) ▶

View estimated costs for common types of doctor's office visits, with details for individual doctors and average costs in your area.



#### [Compare Outpatient Facilities](#) ▶

View estimated costs for outpatient services at a hospital or freestanding center, such as surgical procedures and diagnostic tests.



#### [Compare Hospitals](#) ▶

View estimated costs, complication rates, and other details, including a side-by-side comparison of hospital performance.

# Online Tools: CompassChoiceRewards.com

## Compass ChoiceRewards

- A free service that rewards you with a cash incentive and helps lower your out-of-pocket costs when you use cost-effective options for certain medical procedures
- How Compass works
  1. Your doctor recommends you have a preventative screening, medical procedure or diagnostic test that is on the list of services currently under the Compass program
  2. Shop your service and receive information on high-quality, cost-effective service providers in your area by calling Compass at 855-869-2133 or going online at [compasschoicerewards.com](http://compasschoicerewards.com); the process takes less than two minutes, and all you need is your member number from your Humana ID card
  3. If you shop with Compass and use a cost-effective location, you will receive a reward check in the mail within 45 days of your claim being paid

**IMPORTANT NOTE:** To qualify for a financial incentive reward, you must shop your procedure with Compass at least 24 hours prior to your service

# Online Tools: [CompassChoiceRewards.com](https://CompassChoiceRewards.com)

## Compass Choice Rewards - Procedures & Incentives

Bone Density Study	\$25 / \$15
Mammogram	\$25 / \$15
Cardiac Echocardiogram	\$75 / \$50 / \$25
Adenoidectomy	\$150 / \$75 / \$50
Bunion Repair	\$150 / \$75 / \$50
Colonoscopy	\$150 / \$75 / \$50
CT Scans	\$150 / \$75 / \$50
Ear Tubes	\$150 / \$75 / \$50
Eye/Cataract Surgery	\$150 / \$75 / \$50
Kidney Stones	\$150 / \$75 / \$50
MRIs	\$150 / \$75 / \$50
Nasal/Septum Repair	\$150 / \$75 / \$50

Sleep Study	\$150 / \$75 / \$50
Tonsillectomy	\$150 / \$75 / \$50
Upper GI Endoscopy	\$150 / \$75 / \$50
Wrist Surgery	\$150 / \$75 / \$50
Gall Bladder Removal	\$250 / \$125 / \$75
Gall Bladder Repair	\$250 / \$125 / \$75
Hernia Repair	\$250 / \$125 / \$75
Knee Surgery	\$250 / \$125 / \$75
Shoulder Surgery	\$250 / \$125 / \$75
Cardiac Catheterization	\$500 / \$250
Hip Replacement	\$500 / \$250
Knee Replacement	\$500 / \$250
Low Back Surgery	\$500 / \$250

# Online Tools: Express-Scripts.com

Visit the Express-Scripts site to look at the cost of prescriptions or to learn more about your medicines

The screenshot shows the Express-Scripts.com website. A red circle highlights the left sidebar navigation menu, which includes the following links:

- > My Prescriptions
- > My Prescription Plan
- > Drug & Health Guide
- > My Profile & Settings
- ✉ My Notifications (0)
- 💰 Save on My Prescriptions
- 💊 Price a Drug Compare and save.

The main content area features a welcome message and three primary sections:

- Home Delivery** (From the Express Scripts Pharmacy):
  - Place an Order
    - [Order a refill](#)
    - [Renew a prescription](#)
    - [Fill a new prescription](#)
    - [Switch to home delivery](#)
  - Check Your Status
    - [Check order status](#)
    - [Check on a renewal request](#)
- My Benefits** (It's easy to understand your plan):
  - [Coverage & copayments](#)
  - [Price a drug](#)
  - [Find a pharmacy](#)
  - Keep in mind, you won't be able to see prescriptions for adult dependents unless they've given you access to their information. [Review your privacy settings.](#)
  - Get vaccinated. [Find a pharmacy that offers vaccines.](#)
  - Did you know... Your plan also covers specialty medications. [Find out more.](#)
- Express Scripts Mobile** (On the go, just like you):
  - Have a Smartphone? Manage your prescriptions from anywhere:
    - Order refills
    - Track your order
    - Set up reminders
  - Get our FREE Express Rx app or use our mobile website. [Go mobile](#)

The bottom of the page features the Kentucky logo with the tagline "UNBROKEN SPIRIT" and the Kentucky Employees' Health Plan logo.

# Online Tools: Express-Scripts.com

## Price a medication

[Price another medication](#) | [Help](#)

### PATIENT

[REDACTED]

### Recent searches:

Patanol 0.1%

### You searched for:

#### Patanol 0.1% Eye Drops (5 units)

0.1% Drops, Brand  
Alcon Labs.

[View drug information](#) | [Recalculate](#)

[View formulary alternatives](#)

Pharmacy / day's supply	Is this drug covered?	Qty	You pay	Annual cost	Add to drug list
Home delivery pharmacy 90-day supply	 <b>YES</b> <a href="#">View coverage notes</a>	3	<b>\$370.06</b> TotalCost: \$370.06 <a href="#">Explain my costs</a>	<a href="#">Get annual costs</a>	<a href="#">Add</a>
Retail 30-day supply	 <b>YES</b> <a href="#">View coverage notes</a>	1	<b>\$134.30</b> TotalCost: \$134.30 <a href="#">Explain my costs</a>	<a href="#">Get annual costs</a>	<a href="#">Add</a>



# Contacts for Assistance

- **Medical - Humana**
  - Call 877-597-7474
- **Pharmacy - ESI**
  - Call 877-597-7474
  - When you select ESI you will have the opportunity to select the CDHP specific customer service line
- **KEHP**
  - 888-581-8834, Option 1